duct of business and tax evasion and for determination of income-tax dues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) No tax evasion in this case has been noticed on the basis of assessments completed over the past five years.

(b) Does not arise.

(c) Whenever any instance of tax evasion comes to notice, necessary action under the Direct Taxes Acts is taken.

Evasion of Excise Duty by ITC

2047. SHRI VIRENDRA VERMA:
SHRI SHARAD YADAV:
SHRI RAM NARESH KUSHAWAHA:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Ministry of Finance has received a detailed representation from the Acting President of the Lok Dal in October, 1986 regarding excise evasion due to miscalculation and also certain violations of the brand laws by the Indian Tobacco Company;

(b) whether it is also a fact that the entire question relating to the basis of calculations of payable excise duty was referred to the Central Board of Excise and Law Ministry;

(c) if so, what are the details of the views expressed|advice given by these bodies in this regard; and

(d) what action has been taken|proposed to be taken by the Government consistent with their opinion/advice to raise the amount of the excise duty evaded by the I.T.C.?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHM DUTT): (a) Yes, Sir.

(b) to (d) During the course of the implementation of an adjudication order dated 10-4-1986 passed by Director General of Inspection (Customs & Central Excise), New Delhi, in a valuation case against M|s. ITC, doubts were raised regarding the legal interpretation of certain portions of the order. The main issue was whether the money value of additional consideration, held to be dutiable in the order, should be added to the assessable value or the original price. The matter is still under detailed examination and a final view of the Board and the Ministry of Law is yet to emerge.

FERA Cases Detected

2048. SHRI RAM NARESH KUSHAWAHA: Will the PRIME MINISTER be pleased to state:

(a) what is the number of FERA violation cases detected by the Government during 1986-87 (till date) stating the names of the companies|individuals and amount involved in each of the cases;

(b) how does these figures compare with the number of cases detected in 1985 and 1986; and

(c) what action has been taken|proposed to be taken by the Government in each of these cases?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHM DUTT): (a) to (c) The number of cases in which adjudication proceedings have been initiated by the Directorate of Enforcement (FERA) for violation of the provisions of F.E.R. Act are as under:-

1984-85	1985-86	1986-87
4158	4524	6278

As the number of cases is very large, the time and labour involved in collecting and furnishing case-wise details will be disproportionately high. Appropriate action under the law, as warranted by the result of adjudication proceedings, is taken.